



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 30, 2014

Certified Return Receipt
7012 3460 0002 9559 5796

Colby Sanders
Eric Lewis
Zadok Ventures LLC
PO Box 681271
Houston, Texas 77268

Subject: Division Directive to Remove Explosives and Magazines, Zadok Ventures LLC., West Desert Mine, M/023/0067 and S/023/0112, Juab County, Utah

Dear Messrs. Sanders and Lewis:

The Division of Oil, Gas and Mining requires that the explosives magazines located at the West Desert Mine be removed from the site no later than February 28, 2014. The explosives magazines and their contents must be removed, shipped and stored in accordance with all federal, state, and local laws and regulations. **Before removing the materials from site you must give 48-hour notice to the Utah Division of Oil, Gas and Mining and the Fillmore Office of the Bureau of Land Management.** The contact person for the BLM is Duane Bays.

The BLM inspected the site on January 22, 2014, and documented that the powder magazines were on site. In a letter dated October 24, 2013, the Division stated:

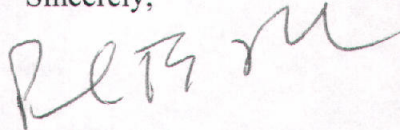
- Zadok Ventures LLC is not authorized to conduct mining or exploration activities on site which includes the use of explosives.
- That in a conversation between Mr. Lewis and Mr. Western of the Division, Mr. Lewis stated that blasting had been done inadvertently by a contractor and that the magazines would be removed.

If you fail to remove the magazines by February 28, 2014, and to give the Division and BLM 48 hours notice of the removal, the Division will issue a cessation order and associated fine. In addition, the Division and/or the BLM will hire a contractor to remove the magazines and dispose of any contents, and you will be billed for these costs.

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Colby Sanders and Eric Lewis
M/023/0067 and S/023/0112
January 30, 2014

Please contact Wayne Western at 801-538-5263 or me at 801-538-5261 if you have questions or concerns about this letter. Thank you for your cooperation.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. Baker' with a stylized flourish at the end.

Paul B. Baker
Minerals Program Manager

PBB: whw: eb
cc: Duane Bays, Fillmore BLM (dbays@blm.gov)
Terry Snyder BLM
Sergio Salgado and Don Foot, Creatavation 1213 Eagle Way Fruit Heights, Utah 84037
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